

ABSTRACT OF THE DISCLOSURE

A technique for customizing purchase incentives, such as discount coupons and the like, based on whether a consumer buys a promoted item or a competitive item, and on the price of the promoted item relative to the competitive item. The invention identifies promoted or competitive products in a consumer's order, and selects an incentive that is appropriate for the price differential between the promoted and competitive items, and for the purchase choice already made between the promoted and competitive items. a different incentive is provided for the different pricing and choice combinations, in an effort to maximize sales for the promoted item, and the different incentives are stored in an incentive matrix accessed by product purchased and by consumer profile as determined from whether the consumer bought the more expensive item, the less expensive item, or one of two equally priced items.